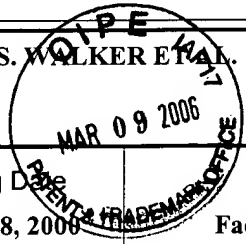


TRANSMITTAL OF APPEAL BRIEF (Large Entity)

Docket No.
00-001

In Re Application Of: JAY S. WALKER ET AL.



Application No.

09/605818

Filing Date

June 28, 2006

Examiner

Fadok, Mark A.

Customer No.

22927

Group Art Unit

3625

Confirmation No.

5370

Invention:

SYSTEM FOR UTILIZING REDEMPTION INFORMATION

COMMISSIONER FOR PATENTS:

Transmitted herewith is the Appeal Brief in this application, with respect to the Notice of Appeal filed on:

The fee for filing this Appeal Brief is: \$500.00

- ☐ A check in the amount of the fee is enclosed.
- ☒ The Director has already been authorized to charge fees in this application to a Deposit Account.
- ☒ The Director is hereby authorized to charge any fees which may be required, or credit any overpayment to Deposit Account No. 500271. I have enclosed a duplicate copy of this sheet.
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Signature

Carson C. K. Fincham
Attorney for Applicants
PTO Registration No. 54,096
Walker Digital, LLC
203.461.7017/phone
203.461.7018/fax

Cfincham@walkerdigital.com

Dated: March 6, 2006

I hereby certify that this correspondence is being deposited with the United States Postal Service with sufficient postage as first class mail in an envelope addressed to "Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450" [37 CFR 1.8(a)] on

March 6, 2006

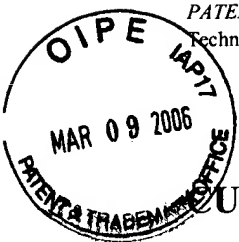
(Date)

Signature of Person Mailing Correspondence

Veronika S. Leliever

Typed or Printed Name of Person Mailing Correspondence

cc:



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

CUSTOMER NO. 22927

Appellants: Jay S. Walker, Jose A. Suarez, T. Scott Case, Michiko
Kobayashi, Andrew P. Golden
Application No.: 09/605,818
Filed: June 28, 2000
Title: SYSTEM FOR UTILIZING REDEMPTION INFORMATION

Attorney Docket No.: 00-001

Group Art Unit: 3625
Examiner: Mark A. Fadok

APPEAL BRIEF

**BOARD OF PATENT APPEALS
AND INTERFERENCES**

Mail Stop: Appeal Brief
Commissioner for Patents
P. O. Box 1450
Alexandria, VA 22313-1450

Appellants hereby appeal to the Board of Patent Appeals and Interferences from the decision of the Examiner in the Final Office Action mailed September 13, 2005 (Part of Paper No./Mail Date 20050908), rejecting claims **1-11, 38-42, and 51-55.**

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REAL PARTY IN INTEREST

The present application is assigned to Walker Digital, LLC, Five High Ridge Park, Stamford, CT 06905.

RELATED APPEALS AND INTERFERENCES

No interferences or appeals are known to Appellants, Appellants' legal representative, or assignee that will directly affect, be directly affected by or have a bearing on the Board's decision in the pending appeal.

STATUS OF CLAIMS

Claims **1-76** are pending in the present application.

Claims **12-37**, **43-50**, and **56-76** have been withdrawn from consideration.

Claims **1-11**, **38-42**, and **51-55** stand rejected.

Claims **1-11**, **38-42**, and **51-55** are being appealed.

STATUS OF AMENDMENTS

No amendments were filed subsequent to the Final Office Action mailed September 13, 2005, the rejections of which are being appealed herein.

SUMMARY OF CLAIMED SUBJECT MATTER

Concise explanations of the independent claims being appealed are provided below. The summaries include sufficient information about the claimed subject matter so that an informed review of the Examiner's adverse determination of patentability can be made.

As required by 37 C.F.R. § 41.37(c)(1)(v), reference is made to the Specification and Drawings, as appropriate. Any such reference:

- (i) is by way of example of the claimed subject matter only;
- (ii) is to be considered as potentially useful in clarifying the particular subject matter of the particular independent claim being explained (and not other claims or "the invention" as a whole), unless explicitly stated otherwise; and
- (iii) is not to be considered as broadening or narrowing the scope of any recited term from its meaning to one of ordinary skill in the art, unless explicitly stated otherwise.

Of the claims being appealed, claims **1**, **38**, and **51** are independent.

1. Independent Claim 1

In accordance with one or more embodiments, a method comprises *arranging for a customer to redeem a product from a third party*. See, for example, Specification, pg. 2, line 31; pg. 3, lines 2-3; pg. 3, lines 6-7; pg. 3, lines 15-19; pg. 3, lines 20-21; pg. 3, lines 24-26; pg. 3, lines 27-28; pg. 6, lines 11-16; pg. 14, lines 18-21; pg. 15, lines 19-21; pg. 16, lines 2-6; pg. 17, lines 11-13; pg. 19, line 26 to pg. 20, line 2; pg. 20, line 8 to pg. 21, line 12; pg. 23, lines 22-30; pg. 24, lines 17-

18; pg. 24, line 23 to pg. 25, line 5; pg. 30, line 20 to pg. 31, line 2; pg. 31, line 18 to pg. 33, line 9; and pg. 35, lines 12-18.

The method further provides for *receiving, via an electronic communication network, information relating to a redemption, of the product and by the customer, that has occurred*. See, for example, Specification, pg. 2, lines 31-32; pg. 3, lines 3-4; pg. 3, lines 7-8; pg. 3, lines 14-15; pg. 3, lines 21-22; pg. 3, lines 28-29; pg. 6, lines 16-19; pg. 8, lines 18-21; pg. 8, line 24 to pg. 9, line 1; pg. 10, lines 1-2; pg. 10, lines 5-7; pg. 10, lines 12-22; pg. 11, lines 12-14; pg. 14, lines 15-18; pg. 14, lines 22-23; pg. 15, line 1; pg. 15, lines 16-18; pg. 15, lines 21-22; pg. 16, line 2; pg. 16, lines 6-7; pg. 16, line 9; pg. 17, lines 7-9; pg. 17, lines 10-11; pg. 17, lines 13-15; pg. 20, lines 3-5; pg. 20, line 31 to pg. 21, line 4; pg. 22, lines 10-13; pg. 22, lines 29-32; pg. 24, lines 18-19; pg. 25, line 6 to pg. 26, line 11; pg. 31, lines 10-16; pg. 35, lines 8-11; pg. 35, lines 28-29; pg. 36, lines 16-20; pg. 36, lines 26-27; pg. 37, lines 4-5; pg. 37, lines 19; and pg. 37, lines 26-27.

The method further provides for, *determining to accept an offer based on the received information*. See, for example, Specification, pg. 3, line 1; pg. 3, lines 4-5; pg. 3, lines 8-9; pg. 3, lines 23-24; pg. 3, lines 29-30; pg. 6, lines 21-27; pg. 9, lines 1-3; pg. 21, lines 9-12; pg. 21, lines 24-26; pg. 24, lines 19-20; pg. 28, line 20 to pg. 30, line 19; and pg. 37, lines 9-15.

2. Independent Claim 38

In accordance with one or more embodiments, processor-executable process steps embodied in a computer-readable medium, comprise *an arranging step to arrange for a customer to redeem a product from a third party*. See, for example, Specification, pg. 2, line 31; pg. 3, lines 2-3; pg. 3, lines 6-7; pg. 3, lines 15-19; pg.

3, lines 20-21; pg. 3, lines 24-26; pg. 3, lines 27-28; pg. 6, lines 11-16; pg. 14, lines 18-21; pg. 15, lines 19-21; pg. 16, lines 2-6; pg. 17, lines 11-13; pg. 19, line 26 to pg. 20, line 2; pg. 20, line 8 to pg. 21, line 12; pg. 23, lines 22-30; pg. 24, lines 17-18; pg. 24, line 23 to pg. 25, line 5; pg. 30, line 20 to pg. 31, line 2; pg. 31, line 18 to pg. 33, line 9; and pg. 35, lines 12-18.

The processor-executable process steps embodied in a computer-readable medium further provide for *a receiving step to receive information relating to a redemption, of the product and by the customer, that has occurred*. See, for example, Specification, pg. 2, lines 31-32; pg. 3, lines 3-4; pg. 3, lines 7-8; pg. 3, lines 14-15; pg. 3, lines 21-22; pg. 3, lines 28-29; pg. 6, lines 16-19; pg. 8, lines 18-21; pg. 8, line 24 to pg. 9, line 1; pg. 10, lines 1-2; pg. 10, lines 5-7; pg. 10, lines 12-22; pg. 11, lines 12-14; pg. 14, lines 15-18; pg. 14, lines 22-23; pg. 15, line 1; pg. 15, lines 16-18; pg. 15, lines 21-22; pg. 16, line 2; pg. 16, lines 6-7; pg. 16, line 9; pg. 17, lines 7-9; pg. 17, lines 10-11; pg. 17, lines 13-15; pg. 20, lines 3-5; pg. 20, line 31 to pg. 21, line 4; pg. 22, lines 10-13; pg. 22, lines 29-32; pg. 24, lines 18-19; pg. 25, line 6 to pg. 26, line 11; pg. 31, lines 10-16; pg. 35, lines 8-11; pg. 35, lines 28-29; pg. 36, lines 16-20; pg. 36, lines 26-27; pg. 37, lines 4-5; pg. 37, lines 19; and pg. 37, lines 26-27.

The processor-executable process steps embodied in a computer-readable medium further provide for, *a determining step to determine whether to accept an offer based on the received information*. See, for example, Specification, pg. 3, line 1; pg. 3, lines 4-5; pg. 3, lines 8-9; pg. 3, lines 23-24; pg. 3, lines 29-30; pg. 6, lines 21-27; pg. 9, lines 1-3; pg. 21, lines 9-12; pg. 21, lines 24-26; pg. 24, lines 19-20; pg. 28, line 20 to pg. 30, line 19; and pg. 37, lines 9-15.

2. Independent Claim 51

In accordance with one or more embodiments, an apparatus comprises *means for preparing for a customer to redeem a product from a third party*. See, for example, Specification, pg. 2, line 31; pg. 3, lines 2-3; pg. 3, lines 6-7; pg. 3, lines 15-19; pg. 3, lines 20-21; pg. 3, lines 24-26; pg. 3, lines 27-28; pg. 6, lines 11-16; pg. 14, lines 18-21; pg. 15, lines 19-21; pg. 16, lines 2-6; pg. 17, lines 11-13; pg. 19, line 26 to pg. 20, line 2; pg. 20, line 8 to pg. 21, line 12; pg. 23, lines 22-30; pg. 24, lines 17-18; pg. 24, line 23 to pg. 25, line 5; pg. 30, line 20 to pg. 31, line 2; pg. 31, line 18 to pg. 33, line 9; and pg. 35, lines 12-18.

The apparatus further comprises *means for obtaining information relating to a redemption, of the product and by the customer, that has occurred*. See, for example, Specification, pg. 2, lines 31-32; pg. 3, lines 3-4; pg. 3, lines 7-8; pg. 3, lines 14-15; pg. 3, lines 21-22; pg. 3, lines 28-29; pg. 6, lines 16-19; pg. 8, lines 18-21; pg. 8, line 24 to pg. 9, line 1; pg. 10, lines 1-2; pg. 10, lines 5-7; pg. 10, lines 12-22; pg. 11, lines 12-14; pg. 14, lines 15-18; pg. 14, lines 22-23; pg. 15, line 1; pg. 15, lines 16-18; pg. 15, lines 21-22; pg. 16, line 2; pg. 16, lines 6-7; pg. 16, line 9; pg. 17, lines 7-9; pg. 17, lines 10-11; pg. 17, lines 13-15; pg. 20, lines 3-5; pg. 20, line 31 to pg. 21, line 4; pg. 22, lines 10-13; pg. 22, lines 29-32; pg. 24, lines 18-19; pg. 25, line 6 to pg. 26, line 11; pg. 31, lines 10-16; pg. 35, lines 8-11; pg. 35, lines 28-29; pg. 36, lines 16-20; pg. 36, lines 26-27; pg. 37, lines 4-5; pg. 37, lines 19; and pg. 37, lines 26-27.

The apparatus further comprises *means for deciding to accept an offer based on the obtained information*. See, for example, Specification, pg. 3, line 1; pg. 3, lines 4-5; pg. 3, lines 8-9; pg. 3, lines 23-24; pg. 3, lines 29-30; pg. 6, lines 21-27;

pg. 9, lines 1-3; pg. 21, lines 9-12; pg. 21, lines 24-26; pg. 24, lines 19-20; pg. 28, line 20 to pg. 30, line 19; and pg. 37, lines 9-15.

GROUND OF REJECTION TO BE REVIEWED ON APPEAL

1. Claims **1-11** stand rejected under 35 U.S.C. §101 for allegedly being directed to non-statutory subject matter as not being within the technological arts.
2. Claims **1, 4-5, 7-9, 11, 38, 40-42, 51, and 53-54** stand rejected under 35 U.S.C. §103(a) as being unpatentable over a combination of
 - (i) Robert Bruss, “No grey area: selling a site twice is illegal,” Chicago Tribune (December 2, 1995) (hereinafter “Bruss”); and
 - (ii) L.A. Lough, “System designed to grow with area”, Richmond Times-Dispatch (April 24, 1988) (hereinafter “Lough”).
3. Claims **2, 3, 39, and 52** stand rejected under 35 U.S.C. §103(a) as being unpatentable over a combination of
 - (i) Bruss;
 - (ii) Lough; and
 - (iii) Official Notice (that “mere duplication of essential working parts of a device involves only routine skill in the art”).
4. Claims **6 and 55** stand rejected under 35 U.S.C. §103(a) as being unpatentable over a combination of
 - (i) Bruss;
 - (ii) Lough; and
 - (iii) Steve Kerch, “Quick look at quickly selling in tough market...”, Chicago Tribune (December 30, 1993) (hereinafter “Kerch”).

5. Claim **10** stands rejected under 35 U.S.C. §103(a) as being unpatentable over a combination of

- (i) Bruss;
- (ii) Lough; and
- (iii) U.S. Patent No. 5,761,647 (hereinafter "Broshy").

ARGUMENTS

1. Summary of Arguments

The rejections fail for various reasons.

- All of the rejections fail for failure to establish a *prima facie* case. The Examiner has not provided any factual findings in support of any rejection, has not provided substantial evidence in support of any rejection. Accordingly, without more and according to law, Appellants are entitled to allowance of the claims.
- The rejections under 35 U.S.C. §103(a) fail at least because the rejections for obviousness constitute conclusory statements and unsupported allegations, ignore claim limitations, and are completely devoid of any motivation to combine the references. Further, the references do not, alone or in combination, teach all of the limitations of any claim being appealed and do not provide any motivation to combine the references, even if the combination did result in the claimed combination (which it does not).

Accordingly, the rejections are inappropriate and Appellants respectfully request that the rejections be reversed.

2. Form of Appeal Brief

In the arguments herein, limitations of the claims are indicated in *italics*, claim numbers are indicated in **bold**, and the references of record are indicated by underlining.

In separate arguments of patentability of different Groups of claims, Appellants have, where possible, referred to prior arguments to avoid undue repetition.

In the arguments below, Appellants may refer to:

The Final Office Action, which is the office action the rejections of which are being appealed herein, which was mailed on September 13, 2005 as part of Paper No./Mail Date 20050908.

3. 35 U.S.C. §101 Rejections

The sole basis for rejecting claims 1-11 appears to be the Examiner's allegation that "[f]or a claimed invention to be statutory, the claimed invention must be within the **technological arts**", Final Office Action, pg. 3, last paragraph (emphasis added), and the Examiner's finding, that with respect to claims 1-11, "it is unclear what feature uses the [sic] technology in a non-trivial manner." *Id.*, pg. 4, second paragraph

As explained by the Board of Patent Appeals and Interferences (BPAI) in the recent precedential opinion of Ex parte Lundgren, the purported requirement that all steps must be performed *per se* by use of a computer or other apparatus *is not* a proper basis for rejection. The Board expressly held that the alleged requirement that a claim must be "within the technological arts" has no legal basis:

Our determination is that **there is currently no judicially recognized separate "technological arts" test** to determine patent eligible subject matter under § 101. We decline to create one. Therefore, it is apparent that the examiner's rejection can not be sustained.

Ex parte Lundgren, Appeal No. 2003-2088, 9 (BPAI Oct., 2005); emphasis added.

The examiner's rejection under §101 in Lundgren was based solely on an alleged failure to suggest "computer, automated means, apparatus of any kind" and thus being "outside the technological arts." Accordingly, the Board reversed the §101 rejection.

Every one of claims **1-11** produces a useful, concrete and tangible result. In five examinations of claims **1-11**, the Examiner has never found or alleged otherwise. The Examiner relies on the same and only basis that was expressly rejected by the Board in Lundgren – an alleged failure to comply with a legally baseless requirement to recite a computer.

Accordingly, the Section 101 rejections of claims **1-11** should be reversed.

4. 35 U.S.C. §103 Rejections

Claims **1-11**, **38-42**, and **51-55** stand rejected under 35 U.S.C. §103(a) as being primarily unpatentable over a combination of Bruss and Lough. Appellants traverse these rejections.

A reading of the rejections reveals that the Examiner has consistently ignored or misinterpreted the limitations of the claims. Several limitations are not disclosed or suggested by any evidence of record. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim.

The Examiner's Section 103(a) rejections based on the above grounds are argued jointly for all of claims **1-11**, **38-42**, and **51-55**, as all such claims stand rejected under the primary combination of Bruss and Lough, other cited references of which (Official Notice, Kerch, and Broshy) fail to make up for the deficiencies thereof.

4.1. The Proper Legal Standard under 35 U.S.C. § 103(a)

The Examiner bears the burden of establishing a *prima facie* case of obviousness based upon the prior art. In re Fritch, 23 U.S.P.Q.2D 1780, 972 F.2d 1260, 1265 (Fed. Cir. 1992). To reject claims in an application under Section 103, an examiner must show an unrebutted *prima facie* case of obviousness. In re Rouffet, 47 U.S.P.Q.2D 1453, 149 F.3d 1350, 1355 (Fed. Cir. 1998). If examination at the initial stage does not produce a *prima facie* case of unpatentability, then without more the applicant is entitled to grant of the patent. In re Oetiker, 24 U.S.P.Q.2D 1443, 977 F.2d 1443, 1445 (Fed. Cir. 1992).

The factual predicates underlying an obviousness determination include the scope and content of the prior art, the differences between the prior art and the claimed invention, and the level of ordinary skill in the art. In re Rouffet. The secondary considerations are also essential components of the obviousness determination. In re Rouffet.

In order to rely on a reference as a basis for rejection of the applicant's invention, the reference must either be in the field of the applicant's endeavor or, if not, then be reasonably pertinent to the particular problem with which the inventor was concerned. In re Oetiker, 24 U.S.P.Q.2D 1443, 977 F.2d 1443, 1447 (Fed. Cir. 1992).

When a rejection is based on a combination of references, the Examiner can satisfy the *prima facie* burden only by showing some objective teaching leading to the purported combination of references. In re Fritch. Lacking a motivation to combine references, there is no *prima facie* case of obviousness. In re Rouffet, 47 U.S.P.Q.2D 1453, 149 F.3d 1350, 1355 (Fed. Cir. 1998).

Obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. *In re Fine*, 5 U.S.P.Q.2d 1596, 837 F.2d 1071 (Fed. Cir. 1988); *In re Jones*, 21 U.S.P.Q.2d 1941 (Fed. Cir. 1992). Prior knowledge in the field of the invention must be supported by tangible teachings of reference materials, and the suggestion to combine references must not be derived by hindsight from knowledge of the invention itself. *Cardiac Pacemakers v. St. Jude Medical*, 381 F.3d 1371, 1376 (Fed. Cir. 2004). Furthermore, particular findings must be made as to the reason the skilled artisan, with no knowledge of the claimed invention, would have selected these components for combination in the manner claimed. *In re Kotzab*, 55 U.S.P.Q.2D 1313, 217 F.3d 1365, 1371 (Fed. Cir. 2000).

A finding of obviousness requires that the art contain something to suggest the desirability of the proposed combination. *In re Grabiak*, 226 U.S.P.Q. 870, 769 F.2d 729, 732 (Fed. Cir. 1985). In the absence of such a showing, there is inadequate support for the position that the proposed modification would *prima facie* have been obvious. *Id.* The absence of such a suggestion to combine is dispositive in an obviousness determination. *Gambro Lundia AB v. Baxter Healthcare Corp.*, 42 U.S.P.Q.2D 1378, 110 F.3d 1573, 1579 (Fed. Cir. 1997).

When the art in question is relatively simple, the opportunity to judge by hindsight is particularly tempting. Consequently, the tests of whether to combine references need to be applied rigorously. *McGinley v. Franklin Sports, Inc.*, 60 U.S.P.Q.2D 1001, 262 F.3d 1339, 1352 (Fed. Cir. 2001). In each case the factual inquiry whether to combine references must be thorough and searching. *Id.*, at 1352-53.

Finally, during examination, claims are given their broadest reasonable interpretation consistent with the specification. *In re Hyatt*, 54 U.S.P.Q.2D 1664, 211 F.3d 1367 (Fed. Cir. 2000). The "PTO applies to verbiage of the proposed claims the broadest reasonable meaning of the words in their ordinary usage as they would be understood by one of ordinary skill in the art, taking into account whatever enlightenment by way of definitions or otherwise that may be afforded by the written description contained in applicant's specification." *In re Morris*, 44 U.S.P.Q.2D 1023, 127 F.3d 1048, 1054-55 (Fed. Cir. 1997).

4.2. Substantial evidence is required of all factual findings

In a determination of obviousness, factual findings as to scope and content of the prior art, level of ordinary skill in the art, differences between the claimed invention and the prior art, and secondary considerations of nonobviousness must be supported by substantial evidence. *Novamedix Distrib. Ltd. v. Dickinson*, 175 F. Supp. 2d 8, 9 (D.D.C. 2001).

"[D]eficiencies of the cited references cannot be remedied by the Board's general conclusions about what is 'basic knowledge' or 'common sense.'" *In re Zurko*, 59 U.S.P.Q.2D 1693, 258 F.3d 1379, 1385 (Fed. Cir. 2001); *In re Lee*, 61 U.S.P.Q.2D 1430, 277 F.3d 1338, 1344 (Fed. Cir. 2002).

Moreover, where a conclusion of obviousness rests on the prior knowledge in the field of the invention, then that "[p]rior knowledge in the field of the invention must be supported by tangible teachings of reference materials." *Cardiac Pacemakers, Inc. v. St. Jude Medical, Inc.*, 381 F.3d 1371 (Fed. Cir. 2004).

4.3. Absent substantial evidence, no *prima facie* case exists

To reject claims in an application under Section 103, an examiner must show an unrebutted *prima facie* case of obviousness. *In re Rouffet*, 47 U.S.P.Q.2D 1453, 149 F.3d 1350, 1355 (Fed. Cir. 1998).

The initial burden of presenting a *prima facie* case of obviousness is upon the examiner. *In re Oetiker*, 24 U.S.P.Q.2D 1443, 977 F.2d 1443, 1445 (Fed. Cir. 1992). If the examiner fails to establish a *prima facie* case, the rejection is improper and will be overturned. *In re Rijckaert*, 28 U.S.P.Q.2D 1955, 9 F.3d 1531, 1532 (Fed. Cir. 1993); *Novamedix Distrib. Ltd. v. Dickinson*, 175 F. Supp. 2d 8, 9 (D.D.C. 2001).

If examination at the initial stage does not produce a *prima facie* case of unpatentability, then without more the applicant is entitled to grant of the patent. *In re Oetiker*, 24 U.S.P.Q.2D 1443, 977 F.2d 1443, 1445 (Fed. Cir. 1992).

4.4. Claims 1-11, 38-42, and 51-55

Claims 1-11, 38-42, and 51-55 stand rejected under Section 103(a) as being primarily and/or solely unpatentable over Bruss in view of Lough.

The rejections of claims 1-11, 38-42, and 51-55 are flawed at least because the Examiner has not made a *prima facie* case of obviousness:

- the Examiner has at least failed to provide substantial evidence for a motivation to combine or modify the references in the manner suggested.
- The references, alone and in combination, fail to teach the claim limitation of *receiving, via an electronic communication network, information relating to a redemption, of the product and by the customer, that has occurred.*

- The references, alone and in combination, fail to teach the claim limitation of *determining to accept an offer based on the received information*.

4.4.1. No *Prima Facie* Showing of Obviousness: Claims 1-11, 38-42, and 51-55

A reading of the rejection of claims 1-11, 38-42, and 51-55 reveals that the motivation to combine the references provided by the Examiner is not supported by evidence and is not directed to how or why the references would have been combined.

Further, even if the motivation to combine the references was proper and supported by the requisite substantial evidence on the records (which Appellants maintain it is not), the references, either alone or in combination, fail to teach limitations of claims 1-11, 38-42, and 51-55.

Accordingly, the Examiner has not presented a *prima facie* case of obviousness of claims 1-11, 38-42, and 51-55.

4.4.1.1. No Showing that Claim Limitations Are in References

The Examiner has rejected claims 1-11, 38-42, and 51-55 as being unpatentable at least over Bruss in view of Lough. However, the Examiner has not provided any explanation as to what teaching or suggestion in either of these references, alone or in combination, teaches or suggests the following limitations recited (generally) by claims 1-11, 38-42, and 51-55:

receiving, via an electronic communication network, information relating to a redemption, of the product and by the customer, that has occurred, or

determining to accept an offer based on the received information.

Indeed, the Examiner admits that Bruss fails to teach or suggest either of the above-quoted limitations. Final Office Action, pg. 5. Appellants agree that Bruss fails to teach or suggest the above-quoted limitations. The Examiner goes on to state, however, that Lough discloses these limitations. *Id.* Appellants respectfully disagree with the Examiner's interpretation of the teachings of Lough.

Lough simply fails to make up for the deficiencies of Bruss. Lough, for example, describes obtaining information on homes that are for sale via a Multiple Listing Service (MLS) utilized in the Richmond, VA area. Lough describes how information regarding homes and other real estate offered for sale may be quickly and easily posted via the MLS. The Examiner appears to misinterpret the following section of Lough:

Data is then entered into the computer, making the input available to all Multiple List agents at any time; in less than two minutes, MLS agents can show a prospective client comparable sales in a specific map area, focusing on various subdivisions, price, address, listing agent information and more. The information is available virtually the moment a property is listed.

Lough, pg. 2, sixth paragraph.

The Examiner appears to assert, for example, that the statement in Lough that "MLS agents can show a prospective client comparable sales" is equivalent to *receiving information relating to a redemption of a product by the customer*. Appellants respectfully note, however, that this statement in Lough simply does not read on the above-quoted claim limitations. Several differences are described as follows.

First, Lough does not describe receiving information about product *redemptions*. The term "*redemption*" must have meaning within the claims. "All

words in a claim must be considered in judging the patentability of that claim against the prior art." *In re Wilson*, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970); MPEP §2143.03. In particular, Appellants submit that, pursuant to the specification as filed, the term "redemption" is associated with the taking of possession of a product by a customer who has **already paid for the product**. In other words, the product that is being redeemed has already been sold.

The entirety of Lough, however, is directed to describing how easy it is to post information to the MLS of properties that are **for sale** (*i.e.*, not yet sold) and how easy it is to retrieve such information quickly. Nowhere does Lough contemplate information on properties that have **already sold**, or information related thereto. In other words, the "comparable sales" recited in Lough describes other comparable properties that are for sale, **not properties that have already sold**.

The Examiner appears to confuse the capabilities of the MLS system of Lough with a typical "comparable" or "comp" analysis conducted by a real estate appraiser to estimate a property's worth. Such appraisals, however, did not at the time of the invention, to Appellants' knowledge, utilize the MLS system, but were instead conducted by retrieving local public records, often from disparate off-line sources. In other words, the term "sales" in Lough refers to properties that are offered for sale, not those that have already sold, and therefore cannot be equated to "*redemption*" of a product without impermissibly reading the term "redemption" out of the pending claims.

Second, as briefly described in Appellants' Request for Pre-Appeal Brief Review (mailed on December 12, 2005), the real estate described in Lough is not equivalent to a "*product*" as described in the pending claims. "Indeed, real estate has even attained a separate treatment in the law as being recognized as unique –

evidenced by the specific performance enforceability of real estate contracts (*e.g.*, as associated with Bruss).” Appellants’ Request for Pre-Appeal Brief Review (mailed on December 12, 2005). It is not clear, for example, how real estate can be redeemed in the context of the pending claims, particularly in light of the specification as filed. Nor is it clear whether real estate is ever “redeemed”, for the nature of real estate transactions is that possession is transferred at the closing, when payment is made. In contrast, true “*products*” can certainly be, and often are, redeemed (*e.g.*, via vouchers and the like).

Third, the Examiner does not address how it is believed that Lough teaches or describes *determining whether to accept an offer based on the redemption information*. The Examiner appears, for example, to piece together actions performed by various parties to a real estate transaction to show how each limitation of the pending claims is taught or suggested (although Applicants maintain that such attempt has failed to set forth a *prima facie* case of obviousness), without examining the pending claims as a whole, as is required. (“When applying 35 U.S.C. 103, the following tenets of patent law must be adhered to: (A) **The claimed invention must be considered as a whole;** (B) **The references must be considered as a whole and must suggest the desirability and thus the obviousness of making the combination...**” MPEP §2141 (II); emphasis added). Neither Bruss nor Lough teaches or suggests the pending claims as a whole.

In contrast claims **1-11, 38-42, and 51-55** recite the above-quoted limitations that are directed to determining whether to accept an offer based on received redemption information (such information being related to the arranging of the redemption). In a retail environment, for example, a controller may arrange for redemptions and determine whether to accept offers (such as subscription offers) based on the difference between currently executed offers (*i.e.*, the subject of the

arranged redemption) and current retail prices. Lough simply does not contemplate the above-cited limitations of claims 1-11, 38-42, and 51-55.

It is well settled that “[t]o establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. In re Royka, 490 F.2d 981, 180 USPQ 580 (CCPA 1974).” MPEP §2143.03.

Appellants have carefully reviewed both references and fail to find any teaching or suggestion that even remotely suggests the above-quoted limitations of claims 1-11, 38-42, and 51-55.

4.4.1.2. No Motivation to Combine Provided

Regarding motivation to combine, as discussed above, obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. The motivation provided by the Examiner for combining Bruss and Lough is set forth in the following assertion:

It would have been obvious to a person having ordinary skill in the art to include in Bruss inputting the sales information for later utilization since listing agents can increase revenue by supplying accurate and timely information to the client.

Final Office Action, pg. 5.

The Examiner’s alleged motivation to combine the references simply fails to provide any evidence as to *why* combining the references would have been obvious, or *how* such a combination is related to the above-quoted limitations of claims 1-11, 38-42, and 51-55. The Examiner merely recites, for example, a

potential benefit of making the combination, **which is tantamount to stating that any beneficial combination is obvious**. Nor is it clear how “supplying accurate and timely information to the client” is even related to *determining to accept an offer based on the received information*. In other words, how does supplying redemption information to a real estate purchaser (the apparent “client” as argued by the Examiner) relate to *determining to accept an offer based on the received information*? The purchaser is, by definition, not the one accepting any offers, but is instead the party making offers.

As discussed above with respect to the applicable law, it is the burden of an examiner to provide in the record relevant findings of fact adequate to show *why* one of ordinary skill in the art would have been motivated to modify a reference in a manner proposed by the examiner. This Examiner, however, has not indicated any reasoning for (much less any evidence of) either (1) *why* one of ordinary skill in the art would have looked to Bruss based on the teachings of Lough, or *vice versa*; or (2) if there is substantial evidence that Bruss is somehow relevant to Lough (which Appellants dispute), *why*, of all the subject matter discussed in Lough, one of ordinary skill in the art would have selected the specific teaching identified by the Examiner to modify the Bruss system.

For example, the Examiner may provide support for the proposed modification by providing **substantial evidence** about knowledge of one of ordinary skill in the art or by pointing to a statement in the reference that would have prompted the proposed modification. The Examiner has not done so. The Examiner’s above-quoted assertions are completely devoid of any reasoning or fact finding as to *why* one of ordinary skill in the art would have been motivated to make the proposed combination or modifications. The Board is not permitted to

accept conclusory findings made by the Examiner that are not supported by any evidence of record. *In re Zurko*, 59 U.S.P.Q.2D 1693, 258 F.3d 1379, 1385 (Fed. Cir. 2001); *In re Lee*, 61 U.S.P.Q.2D 1430, 277 F.3d 1338, 1344 (Fed. Cir. 2002).

Thus, in summary, the Examiner has not shown a motivation in the record to modify or combine any of the references of record in any manner that renders claims **1-11**, **38-42**, and **51-55** obvious.

4.4.1.3. No Showing of Level of Ordinary Skill in the Art

Moreover, the Examiner has also failed to resolve (or even identify) the level of ordinary skill in the pertinent art as required by the Supreme Court. *Graham v. John Deere Co.*, 383 U.S. 1, 17 (1966). Having failed to resolve the level of ordinary skill in the art in the record, Appellants asseverate that the Examiner is unable to determine either what “would have been obvious matter of design choice at the time the invention was made” or what references would have been analogous.

In summary, the Examiner has not established a *prima facie* case of obviousness with respect to claims **1-11**, **38-42**, and **51-55** because the Examiner has not shown (i) that all of the limitations of claims **1-11**, **38-42**, and **51-55** are taught by the references of record, alone or in combination; nor (ii) a motivation in the prior art of record to combine the references in any manner that renders claims **1-11**, **38-42**, and **51-55** obvious. Thus, the Section 103(a) rejections of claims **1-11**, **38-42**, and **51-55** should be reversed.

4.4.2. Any Combination of the References Fails to Teach All of the Limitations of claims 1-11, 38-42, and 51-55

Even if the Examiner had established substantial evidence of a motivation to make the proposed combination of Bruss and Lough (which Appellants dispute above), the proposed combination would fail to teach (i) *receiving, via an electronic communication network, information relating to a redemption, of the product and by the customer, that has occurred*, or (ii) *determining to accept an offer based on the received information*.

Appellants have reviewed each reference and have been unable to find any indication in either reference related to the above-quoted limitations. As described above, the Examiner agrees that none of these limitations can be found in Bruss, and, as described in 4.4.1.1. above, improperly interprets Lough as making up for the deficiencies of Bruss.

Lough, for example, simply does not describe receiving redemption information, much less determining to accept an offer based on the received redemption information.

Thus, both Bruss and Lough, alone and in combination, lack any hint or suggestion of the desirability of (i) *receiving, via an electronic communication network, information relating to a redemption, of the product and by the customer, that has occurred*, or (ii) *determining to accept an offer based on the received information*.

In summary, the Examiner's proposed combination of the references fails to teach the above-mentioned limitation of claims 1-11, 38-42, and 51-55. Further,

Appellants assert that any other combination of the references of record also fail to teach or suggest the limitation as claimed.

Accordingly, the Section 103(a) rejection of claims **1-11, 38-42, and 51-55** should be reversed.

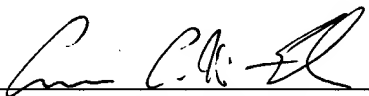
CONCLUSION

Thus, the Examiner's rejections of the pending claims are improper at least because the Examiner has not provided a proper legal basis for rejecting any claim. Therefore, Appellants respectfully request that the Examiner's rejections be reversed.

If any issues remain, or if there are any further suggestions for expediting allowance of the present application, please contact Carson C.K. Fincham using the information provided below.

Appellants hereby request any extension of time that may be required to make this Appeal Brief timely. Please charge any fees that may be required for this paper, or credit any overpayment, to Deposit Account No. 50-0271.

March 6, 2006
Date


Carson C.K. Fincham
Attorney for Applicants
Registration No. 54,096
Walker Digital, LLC
(203) 461-7041 /direct
(203) 461-7300 /fax
cfincham@walkerdigital.com

APPENDIX A - CLAIMS INVOLVED IN THE APPEAL

1. A method comprising:
arranging for a customer to redeem a product from a third party;
receiving, via an electronic communication network, information relating to a redemption, of the product and by the customer, that has occurred; and
determining to accept an offer based on the received information.
2. A method according to Claim 1, wherein the offer is received from the customer.
3. A method according to Claim 1, wherein the offer is received from a second customer.
4. A method according to Claim 1, further comprising determining, based on the received information, a third party at which an offer product may be redeemed according to the accepted offer.
5. A method according to Claim 1, wherein the information comprises a retail price of the product during the redemption.
6. A method according to Claim 5, wherein the determining step comprises:
calculating a difference between an offer price included in the offer and the retail price; and
accepting the offer if the difference is less than a threshold amount.

7. A method according to Claim 1, wherein the information comprises an amount of the product redeemed at the redemption.

8. A method according to Claim 1, wherein the information comprises a time of the redemption.

9. A method according to Claim 1, wherein the information identifies the third party.

10. A method according to Claim 1, wherein the information comprises information concerning other products purchased during the redemption.

11. A method according to Claim 1, wherein the offer is an offer to purchase the product.

38. Processor-executable process steps embodied in a computer-readable medium, the process steps comprising:

an arranging step to arrange for a customer to redeem a product from a third party;

a receiving step to receive information relating to a redemption, of the product and by the customer, that has occurred; and

a determining step to determine whether to accept an offer based on the received information.

39. Processor-executable process steps according to Claim 38, wherein the offer is received from a second customer.

40. Processor-executable process steps according to Claim 38, further comprising a determining step to determine, based on the received information, a third party at which an offer product may be redeemed according to the accepted offer.

41. Processor-executable process steps according to Claim 38, wherein the information comprises a retail price of the product during the redemption.

42. Processor-executable process steps according to Claim 41, wherein the determining step comprises:

a calculating step to calculate a difference between an offer price included in the offer and the retail price; and

an accepting step to accept the offer if the difference is less than a threshold amount.

51. An apparatus comprising:
means for preparing for a customer to redeem a product from a third party;
means for obtaining information relating to a redemption, of the product and by the customer, that has occurred; and
means for deciding to accept an offer based on the obtained information.

52. An apparatus according to Claim 51, wherein the offer is received from a second customer.

53. An apparatus according to Claim 51, further comprising means for identifying, based on the obtained information, a third party at which an offer product may be redeemed according to the accepted offer.

54. An apparatus according to Claim 51, wherein the information comprises a retail price of the product during the redemption.

55. An apparatus according to Claim 54, wherein the means for deciding comprises:

means for determining a difference between an offer price included in the offer and the retail price; and

means for accepting the offer if the difference is less than a threshold amount.

APPENDIX B – EVIDENCE

<NONE>

APPENDIX C – RELATED PROCEEDINGS

<NONE>




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EXAMINER				
FADOK, MARK A				
ART UNIT		PAPER NUMBER		
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Please find below and/or attached an Office communication concerning this application or proceeding.

Application Number 	Application/Control No. 09/605,818 Wynn Coggins	Applicant(s)/Patent under Reexamination WALKER ET AL. Art Unit 3625	
Document Code - AP.PRE.DEC			

Notice of Panel Decision from Pre-Appeal Brief Review



This is in response to the Pre-Appeal Brief Request for Review filed 12/19/05.

1. ☐ **Improper Request** – The Request is improper and a conference will not be held for the following reason(s):

- ☐ The Notice of Appeal has not been filed concurrent with the Pre-Appeal Brief Request.
- ☐ The request does not include reasons why a review is appropriate.
- ☐ A proposed amendment is included with the Pre-Appeal Brief request.
- ☐ Other:

The time period for filing a response continues to run from the receipt date of the Notice of Appeal or from the mail date of the last Office communication, if no Notice of Appeal has been received.

2. ☒ **Proceed to Board of Patent Appeals and Interferences** – A Pre-Appeal Brief conference has been held. The application remains under appeal because there is at least one actual issue for appeal. Applicant is required to submit an appeal brief in accordance with 37 CFR 41.37. The time period for filing an appeal brief will be reset to be one month from mailing this decision, or the balance of the two-month time period running from the receipt of the notice of appeal, whichever is greater. Further, the time period for filing of the appeal brief is extendible under 37 CFR 1.136 based upon the mail date of this decision or the receipt date of the notice of appeal, as applicable.

☒ The panel has determined the status of the claim(s) is as follows:

Claim(s) allowed: _____.

Claim(s) objected to: _____.


Claim(s) rejected: 1-11, 38-42, 51-55.

Claim(s) withdrawn from consideration: _____.


3. ☐ **Allowable application** – A conference has been held. The rejection is withdrawn and a Notice of Allowance will be mailed. Prosecution on the merits remains closed. No further action is required by applicant at this time.

4. ☐ **Reopen Prosecution** – A conference has been held. The rejection is withdrawn and a new Office action will be mailed. No further action is required by applicant at this time.

All participants:

(1) Wynn Coggins 

(2) John Weiss 

(3) Mark Fadok 

(4) _____.